

**EXHIBIT 7**  
**TO**  
**HEMANN DECLARATION**

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**TO**  
**HEMANN DECLARATION**

1 MARC J. FAGEL (Cal. Bar No. 154425)  
2 SUSAN F. LA MARCA (Cal. Bar No. 215231)  
3 lamarcas@sec.gov  
4 MARK P. FICKES (Cal Bar No. 178570)  
5 fickesm@sec.gov  
6 ELENA RO (Cal. Bar No. 197308)  
7 roe@sec.gov

8 Attorneys for Plaintiff  
9 SECURITIES AND EXCHANGE COMMISSION  
10 44 Montgomery Street, Suite 2600  
11 San Francisco, California 94104  
12 Telephone: (415) 705-2500  
13 Facsimile: (415) 705-2501

14 UNITED STATES DISTRICT COURT  
15 NORTHERN DISTRICT OF CALIFORNIA  
16 SAN JOSE DIVISION

17 SECURITIES AND EXCHANGE COMMISSION,

18 Plaintiff,

19 v.

20 KENNETH L. SCHROEDER,

21 Defendant.

Case No. C-07-3798-JW

**PLAINTIFF SECURITIES AND  
EXCHANGE COMMISSION'S INITIAL  
DISCLOSURES**

22 Plaintiff Securities and Exchange Commission ("Commission") hereby makes the following  
23 disclosures to defendant pursuant to Rule 26(a)(1) of the Federal Rules of Civil Procedure:

**A. PERSONS WITH INFORMATION**

24 The following individuals are likely to have discoverable information that the Commission  
25 may use in support of its claims. The Commission reserves the right to rely upon information from,  
26 or to call as witnesses, other persons whose identities may become known during the course of the  
27 action, and to rely upon information from other sources for the purposes of impeachment. The  
28

1 Commission also reserves the right to call as witnesses any persons whom the defendant identifies or  
2 should identify in his disclosures.

3 Joseph Anastasi  
4 c/o LECG, LLC  
5 201 Mission Street, Suite 800  
6 San Francisco, CA 94105  
7 (415) 267-0300

8 Mr. Anastasi assisted the Special Committee of the Board of Directors of KLA-Tencor Corp.  
9 in its investigation of KLA's historical stock option pricing practices. He may have information  
10 about the stock option pricing procedures at KLA and defendant's role in such process.

11 Pam Avent  
12 c/o John H. Hemann, Esq.  
13 William H. Kimball, Esq.  
14 Morgan, Lewis & Bockius LLP  
15 One Market, Spear Street Tower  
16 San Francisco, CA 94105  
17 (415) 442-1355

18 Ms. Avent worked in Compliance at KLA-Tencor Corp. She may have information about the  
19 stock option pricing procedures at KLA and defendant's role in such process. She may also have  
20 information about KLA's process for filing reports with the Commission.

21 James Bagley  
22 c/o John H. Hemann, Esq.  
23 William H. Kimball, Esq.  
24 Morgan, Lewis & Bockius LLP  
25 One Market, Spear Street Tower  
26 San Francisco, CA 94105  
27 (415) 442-1355

28 Mr. Bagley was a former member of KLA-Tencor Corp.'s Board of Directors and  
Compensation Committee. He may have information about the stock option pricing procedures at  
KLA and defendant's role in such process. He may also have information about KLA's process for  
filing reports with the Commission.

JC Berger  
c/o John H. Hemann, Esq.  
William H. Kimball, Esq.  
Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower

1 San Francisco, CA 94105  
2 (415) 442-1355

3 Mr. Berger was the former corporate accountant and current Division Controller at KLA-  
4 Tencor Corp. He may have information about the stock option pricing procedures at KLA and  
5 defendant's role in such process. He may also have information about KLA's process for filing  
6 reports with the Commission.

7 Lisa Berry  
8 c/o Melinda Haag, Esq.  
9 Orrick Herrington & Sutcliffe  
10 The Orrick Building  
405 Howard Street  
San Francisco, CA 94105  
(415) 773-5610

11 Ms. Berry was the former Vice President and General Counsel of KLA. She may have  
12 information about the stock options backdating at KLA, as more particularly described in the  
13 Complaint, and other individuals' respective roles in such fraudulent conduct. She also may have  
14 information about KLA's process for filing reports with the Commission.

15 Steve Bertran  
16 c/o John H. Hemann, Esq.  
17 William H. Kimball, Esq.  
18 Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
San Francisco, CA 94105  
(415) 442-1355

19 Mr. Bertran is the Senior Manager of U.S. Compensation at KLA-Tencor Corp. He may have  
20 information about the stock option pricing procedures at KLA and defendant's role in such process.

21 Vijajakala "Vijay" Biligiri  
22 c/o John H. Hemann, Esq.  
23 William H. Kimball, Esq.  
24 Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
San Francisco, CA 94105  
25 (415) 442-1355

26 Mr. Biligiri was the former Senior Stock Administrator at KLA Instruments. He may have  
27 information about the stock option pricing procedures at KLA and defendant's role in such process.  
28

1 Raymond Bingham  
2 c/o John H. Hemann, Esq.  
3 William H. Kimball, Esq.  
4 Morgan, Lewis & Bockius LLP  
5 One Market, Spear Street Tower  
6 San Francisco, CA 94105  
7 (415) 442-1355

8 Mr. Bingham is a member of the Board of Directors of KLA-Tencor Corp. He may have  
9 information about the stock option pricing procedures at KLA and defendant's role in such process.  
10 He may also have information about KLA's process for filing reports with the Commission.

11 Bob Boehlke  
12 c/o John H. Hemann, Esq.  
13 William H. Kimball, Esq.  
14 Morgan, Lewis & Bockius LLP  
15 One Market, Spear Street Tower  
16 San Francisco, CA 94105  
17 (415) 442-1355

18 Mr. Boehlke was the former Chief Operating Officer and Chief Financial Officer of KLA-  
19 Tencor Corp. He may have information about the stock option pricing procedures at KLA and  
20 defendant's role in such process. He may also have information about KLA's process for filing  
21 reports with the Commission.

22 Frank Brienzo  
23 c/o John H. Hemann, Esq.  
24 William H. Kimball, Esq.  
25 Morgan, Lewis & Bockius LLP  
26 One Market, Spear Street Tower  
27 San Francisco, CA 94105  
28 (415) 442-1355

Mr. Brienzo was the former Vice President of Human Resources of KLA-Tencor Corp. He  
may have information about the stock option pricing procedures at KLA and defendant's role in such  
process.

Leo Chamberlain  
c/o John H. Hemann, Esq.  
William H. Kimball, Esq.  
Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
San Francisco, CA 94105  
(415) 442-1355

1 Mr. Chamberlain was a former member of KLA-Tencor Corp.'s Board of Directors and  
2 Compensation Committee. He may have information about the stock option pricing procedures at  
3 KLA and defendant's role in such process. He may also have information about KLA's process for  
4 filing reports with the Commission.

5 Bernice Chen  
6 c/o John H. Hemann, Esq.  
7 William H. Kimball, Esq.  
8 Morgan, Lewis & Bockius LLP  
9 One Market, Spear Street Tower  
10 San Francisco, CA 94105  
11 (415) 442-1355

12 Ms. Chen is a former Corporate Senior Counsel at KLA-Tencor Corp. She may have  
13 information about KLA's process for filing reports with the Commission.

14 Raman Chitkara  
15 c/o Elizabeth Malaspina, Esq.  
16 Davis Polk & Wardwell  
17 450 Lexington Ave.  
18 New York, NY 10017  
19 (212) 450-4430

20 Mr. Chitkara was a former engagement partner on the KLA-Tencor Corp. account at  
21 PricewaterhouseCoopers. He may have information about the stock option pricing procedures at  
22 KLA and defendant's role in such process. He may also have information about KLA's process for  
23 filing reports with the Commission.

24 Judith Christiansen  
25 c/o John H. Hemann, Esq.  
26 William H. Kimball, Esq.  
27 Morgan, Lewis & Bockius LLP  
28 One Market, Spear Street Tower  
San Francisco, CA 94105  
(415) 442-1355

Ms. Christiansen was the Executive Assistant to former Chairman of the Board and CEO  
Kenneth Levy at KLA-Tencor Corp. She may have information about the stock option pricing  
procedures at KLA and defendant's role in such process. She may also have information about  
KLA's process for filing reports with the Commission.

1 Tom Coffey  
2 c/o John H. Hemann, Esq.  
3 William H. Kimball, Esq.  
4 Morgan, Lewis & Bockius LLP  
5 One Market, Spear Street Tower  
6 San Francisco, CA 94105  
7 (415) 442-1355

8 Mr. Coffey was the VP of Human Resources at KLA-Tencor Corp. He may have information  
9 about the stock option pricing procedures at KLA and defendant's role in such process.

10 Kathryn Cross  
11 c/o John H. Hemann, Esq.  
12 William H. Kimball, Esq.  
13 Morgan, Lewis & Bockius LLP  
14 One Market, Spear Street Tower  
15 San Francisco, CA 94105  
16 (415) 442-1355

17 Ms. Cross is the Senior Director of Compensation of KLA-Tencor Corp. She may have  
18 information about the stock option pricing procedures at KLA and defendant's role in such process.

19 Sandra Dahl  
20 c/o John H. Hemann, Esq.  
21 William H. Kimball, Esq.  
22 Morgan, Lewis & Bockius LLP  
23 One Market, Spear Street Tower  
24 San Francisco, CA 94105  
25 (415) 442-1355

26 Ms. Dahl was a former Human Resources Case Manager 3 at KLA-Tencor Corp. She may  
27 have information about the stock option pricing procedures at KLA and defendant's role in such  
28 process.

21 Stephen Daughters  
22 c/o LECG, LLC  
23 201 Mission Street, Suite 800  
24 San Francisco, CA 94105  
25 (415) 267-0300

26 Mr. Daughters assisted the Special Committee of the Board of Directors of KLA-Tencor  
27 Corp. in its investigation of KLA's historical stock option pricing practices. He may have  
28 information about the stock option pricing procedures at KLA and defendant's role in such process.

Jack P. DiCanio, Esq.  
c/o Skadden, Arps, Slate, Meagher & Flom LLP

1 300 South Grand Avenue  
Suite 3400  
2 Los Angeles, CA 90071  
(213) 687-5000

3  
4 Mr. DiCanio served as counsel to the Special Committee of the Board of Directors of KLA-  
5 Tencor Corp. during its investigation of KLA's historical stock option pricing practices. He may  
6 have information about the stock option pricing procedures at KLA and defendant's role in such  
process.

7 Gary E. Dickerson  
c/o Walter F. Brown Jr., Esq.  
8 Robert P. Varian, Esq.  
Orrick Herrington & Sutcliffe  
9 The Orrick Building  
405 Howard Street  
10 San Francisco, CA 94105  
(415) 773-5995

11  
12 Mr. Dickerson was the former Chief Operating Officer of KLA and served on KLA's Stock  
13 Option Committee from 1999 to 2004. He may have information about the stock option pricing  
14 procedures at KLA and defendant's role in such process. He may also have information about KLA's  
15 process for filing reports with the Commission.

16 Bret DiMarco  
c/o Wilson Sonsini Goodrich & Rosati  
17 650 Page Mill Road  
Palo Alto, CA 94304  
18 (650) 493-9300

19 Mr. DiMarco was the former outside counsel for KLA-Tencor Corp. He may have  
20 information about the stock option pricing procedures at KLA and defendant's role in such process.  
21 He may also have information about KLA's process for filing reports with the Commission.

22 Richard Elkus  
c/o John H. Hemann, Esq.  
23 William H. Kimball, Esq.  
Morgan, Lewis & Bockius LLP  
24 One Market, Spear Street Tower  
San Francisco, CA 94105  
25 (415) 442-1355



1 Mr. Elkus was a former member of the Board of Directors of KLA-Tencor Corp. He may  
 2 have information about the stock option pricing procedures at KLA and defendant's role in such  
 3 process. He may also have information about KLA's process for filing reports with the Commission.

4 Virginia Eslabon  
 5 c/o John H. Hemann, Esq.  
 6 William H. Kimball, Esq.  
 7 Morgan, Lewis & Bockius LLP  
 8 One Market, Spear Street Tower  
 9 San Francisco, CA 94105  
 10 (415) 442-1355

11 Ms. Eslabon is a Compensation Analyst at KLA-Tencor Corp. She may have information  
 12 about the stock option pricing procedures at KLA and defendant's role in such process.

13 Thomas Ezrin  
 14 c/o John H. Hemann, Esq.  
 15 William H. Kimball, Esq.  
 16 Morgan, Lewis & Bockius LLP  
 17 One Market, Spear Street Tower  
 18 San Francisco, CA 94105  
 19 (415) 442-1355

20 Mr. Erzin is a Vice President of Human Resources at KLA-Tencor Corp. He may have  
 21 information about the stock option pricing procedures at KLA and defendant's role in such process.

22 Michelle Foote  
 23 c/o John H. Hemann, Esq.  
 24 William H. Kimball, Esq.  
 25 Morgan, Lewis & Bockius LLP  
 26 One Market, Spear Street Tower  
 27 San Francisco, CA 94105  
 28 (415) 442-1355

Ms. Foote is a former Compensation Analyst at KLA-Tencor Corp. She may have  
 information about the stock option pricing procedures at KLA and defendant's role in such process.

Elizabeth A. Harlan, Esq.  
 c/o Skadden, Arps, Slate, Meagher & Flom LLP  
 Four Embarcadero Center  
 Suite 3800  
 San Francisco, CA 94111  
 (415) 984-6400

Ms. Harlan served as counsel to the Special Committee of the Board of Directors of KLA-  
 Tencor Corp. during its investigation of KLA's historical stock option pricing practices. She may

1 have information about the stock option pricing procedures at KLA and defendant's role in such  
2 process.

3 Kimberly Jackson  
4 c/o John H. Hemann, Esq.  
5 William H. Kimball, Esq.  
6 Morgan, Lewis & Bockius LLP  
7 One Market, Spear Street Tower  
8 San Francisco, CA 94105  
9 (415) 442-1355

10 Ms. Foote is an Associate General Counsel at KLA-Tencor Corp. She may have information  
11 about the stock option pricing procedures at KLA and defendant's role in such process. She may also  
12 have information about KLA's process for filing reports with the Commission.

13 Michael Kahn  
14 c/o Michael Piazza, Esq.  
15 Dorsey & Whitney LLP  
16 38 Technology Drive  
17 Irvine, CA 92618-5310  
18 (949) 932-3600

19 Mr. Kahn was the former Vice President of Human Resources of KLA. He may have  
20 information about the stock option pricing procedures at KLA.

21 Stephen Kaufman  
22 c/o John H. Hemann, Esq.  
23 William H. Kimball, Esq.  
24 Morgan, Lewis & Bockius LLP  
25 One Market, Spear Street Tower  
26 San Francisco, CA 94105  
27 (415) 442-1355

28 Mr. Kaufman is a member of KLA-Tencor Corp.'s Board of Directors and Compensation  
Committee. He may have information about the stock option pricing procedures at KLA and  
defendant's role in such process. He may also have information about KLA's process for filing  
reports with the Commission.

Virendra Kirloskar  
c/o John H. Hemann, Esq.  
William H. Kimball, Esq.  
Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
San Francisco, CA 94105  
(415) 442-1355

1 Mr. Kirloskar was a former Corporate Controller at KLA-Tencor Corp. He may have  
 2 information about the stock option pricing procedures at KLA and defendant's role in such process.  
 3 He may also have information about KLA's process for filing reports with the Commission.

4 John Kispert  
 c/o Craig Martin  
 5 Morrison & Foerster  
 425 Market Street  
 6 San Francisco, CA 94105  
 (415) 268-7000

7 Mr. Kispert is the President and Chief Operating Officer of KLA-Tencor Corp. He may have  
 8 information about the stock option pricing procedures at KLA and defendant's role in such process.  
 9 He may also have information about KLA's process for filing reports with the Commission.

10 Tracy Laboy  
 11 c/o John H. Hemann, Esq.  
 12 William H. Kimball, Esq.  
 Morgan, Lewis & Bockius LLP  
 13 One Market, Spear Street Tower  
 San Francisco, CA 94105  
 14 (415) 442-1355

15 Ms. Laboy is the Senior Director of Global Benefits at KLA-Tencor Corp. She may have  
 16 information about the stock option pricing procedures at KLA and defendant's role in such process.  
 17 She may also have information about KLA's process for filing reports with the Commission.

18 Jennifer Lacey  
 19 c/o John H. Hemann, Esq.  
 William H. Kimball, Esq.  
 20 Morgan, Lewis & Bockius LLP  
 One Market, Spear Street Tower  
 21 San Francisco, CA 94105  
 (415) 442-1355

22 Ms. Lacey is the Stock Plan Administrator at KLA-Tencor Corp. She may have information  
 23 about the stock option pricing procedures at KLA and defendant's role in such process. She may also  
 24 have information about KLA's process for filing reports with the Commission.

25 Maureen Lamb  
 26 c/o John C. Dwyer, Esq.  
 Cooley Godward Kronish LLP  
 27 Five Palo Alto Square  
 3000 El Camino Real  
 28

1 Palo Alto, CA 94306-2155  
 (650) 857-5000

2 Ms. Lamb was the former VP of Finance of KLA-Tencor Corp. She may have information  
 3 about the stock option pricing procedures at KLA and defendant's role in such process. She may also  
 4 have information about KLA's process for filing reports with the Commission.

5 Kenneth Levy  
 6 c/o Patrick D. Robbins, Esq.  
 Shearman & Sterling  
 7 525 Market Street  
 San Francisco, CA 94105  
 8 (415) 616-1210

9 Mr. Levy founded KLA Instruments Corporation, and after KLA Instruments merged with  
 10 Tencor Instruments, served as KLA's Chairman of the Board and Chief Executive Officer. Levy also  
 11 served on KLA's Stock Option Committee from 1997 to 2004. He may have information about the  
 12 stock option pricing procedures at KLA and defendant's role in such process. He may also have  
 13 information about KLA's process for filing reports with the Commission.

14 Dean Lindholm  
 c/o John H. Hemann, Esq.  
 15 William H. Kimball, Esq.  
 Morgan, Lewis & Bockius LLP  
 16 One Market, Spear Street Tower  
 San Francisco, CA 94105  
 17 (415) 442-1355

18 Mr. Lindholm was a former Vice President of Human Resources at KLA-Tencor Corp. He  
 19 may have information about the stock option pricing procedures at KLA and defendant's role in such  
 20 process.

21 Robert Lorenzini  
 22 c/o John H. Hemann, Esq.  
 William H. Kimball, Esq.  
 23 Morgan, Lewis & Bockius LLP  
 One Market, Spear Street Tower  
 24 San Francisco, CA 94105  
 25 (415) 442-1355

26 Mr. Lorenzini was a former member of the Board of Directors of KLA-Tencor Corp. He may  
 27 have information about the stock option pricing procedures at KLA and defendant's role in such  
 28 process. He may also have information about KLA's process for filing reports with the Commission.

1 Cynthia Mangan  
2 c/o John H. Hemann, Esq.  
3 William H. Kimball, Esq.  
4 Morgan, Lewis & Bockius LLP  
5 One Market, Spear Street Tower  
6 San Francisco, CA 94105  
7 (415) 442-1355

8 Ms. Mangan was a former administrative assistant to Gary Dickerson at KLA-Tencor Corp.  
9 She may have information about the stock option pricing procedures at KLA and defendant's role in  
10 such process.

11 Kathy Marines  
12 c/o John H. Hemann, Esq.  
13 William H. Kimball, Esq.  
14 Morgan, Lewis & Bockius LLP  
15 One Market, Spear Street Tower  
16 San Francisco, CA 94105  
17 (415) 442-1355

18 Ms. Marines is the Manager of Stock and Retirement Services at KLA-Tencor Corp. She may  
19 have information about the stock option pricing procedures at KLA and defendant's role in such  
20 process.

21 Michael Marks  
22 c/o John H. Hemann, Esq.  
23 William H. Kimball, Esq.  
24 Morgan, Lewis & Bockius LLP  
25 One Market, Spear Street Tower  
26 San Francisco, CA 94105  
27 (415) 442-1355

28 Mr. Marks was a former member of the Board of Directors and Compensation Committee of  
KLA-Tencor Corp. He may have information about the stock option pricing procedures at KLA and  
defendant's role in such process. He may also have information about KLA's process for filing  
reports with the Commission.

Richard Marmaro  
c/o Skadden, Arps, Slate, Meagher & Flom LLP  
300 South Grand Avenue  
Suite 3400  
Los Angeles, CA 90071  
(213) 687-5000

1 Mr. Marmaro served as counsel to the Special Committee of the Board of Directors of KLA-  
2 Tencor Corp. during its investigation of KLA's historical stock option pricing practices. He may  
3 have information about the stock option pricing procedures at KLA and defendant's role in such  
4 process.

5 Kevin McAndrews  
6 c/o John H. Hemann, Esq.  
7 William H. Kimball, Esq.  
8 Morgan, Lewis & Bockius LLP  
9 One Market, Spear Street Tower  
10 San Francisco, CA 94105  
11 (415) 442-1355

12 Mr. McAndrews is an Associate General Counsel, Intellectual Property, at KLA-Tencor Corp.  
13 He may have information about the stock option pricing procedures at KLA and defendant's role in  
14 such process. He may also have information about KLA's process for filing reports with the  
15 Commission.

16 Andrew Middleton  
17 c/o John H. Hemann, Esq.  
18 William H. Kimball, Esq.  
19 Morgan, Lewis & Bockius LLP  
20 One Market, Spear Street Tower  
21 San Francisco, CA 94105  
22 (415) 442-1355

23 Mr. Middleton is an attorney employed by Hudson Global Resources and assisted the Special  
24 Committee of the Board of Directors of KLA-Tencor Corp. during its investigation of KLA's  
25 historical stock option pricing practices. He may have information about the stock option pricing  
26 procedures at KLA and defendant's role in such process.

27 Timothy A. Miller, Esq.  
28 c/o Skadden, Arps, Slate, Meagher & Flom LLP  
Four Embarcadero Center  
Suite 3800  
San Francisco, CA 94111  
(415) 984-6400

Mr. Miller served as counsel to the Special Committee of the Board of Directors of KLA-  
Tencor Corp. during its investigation of KLA's historical stock option pricing practices. He may

1 have information about the stock option pricing procedures at KLA and defendant's role in such  
2 process.

3 Marshall Mohr  
4 c/o Elizabeth Malaspina, Esq.  
5 Davis Polk & Wardwell  
6 450 Lexington Ave.  
7 New York, NY 10017  
8 (212) 450-4430

9 Mr. Mohr was a former engagement partner on the KLA-Tencor Corp. account at  
10 PricewaterhouseCoopers. He may have information about the stock option pricing procedures at  
11 KLA and defendant's role in such process. He may also have information about KLA's process for  
12 filing reports with the Commission.

13 Dean Morton  
14 c/o John H. Hemann, Esq.  
15 William H. Kimball, Esq.  
16 Morgan, Lewis & Bockius LLP  
17 One Market, Spear Street Tower  
18 San Francisco, CA 94105  
19 (415) 442-1355

20 Mr. Morton was a former member of the Board of Directors of KLA-Tencor Corp. He may  
21 have information about the stock option pricing procedures at KLA and defendant's role in such  
22 process. He may also have information about KLA's process for filing reports with the Commission.

23 Stuart Nichols  
24 c/o Mark A. Belnick, Esq.  
25 Law Offices of Mark A. Belnick, LLC  
26 120 West 45<sup>th</sup> St., Suite 1700B  
27 New York, NY 10036  
28 (646) 453-2900

Mr. Nichols was the former General Counsel at KLA-Tencor Corp. He may have information  
about the stock option pricing procedures at KLA and defendant's role in such process. He may also  
have information about KLA's process for filing reports with the Commission.

Professor Yoshio Nishi  
c/o John H. Hemann, Esq.  
William H. Kimball, Esq.  
Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower

1 San Francisco, CA 94105  
 2 (415) 442-1355

3 Mr. Nishi was a former member of the Board of Directors of KLA-Tencor Corp. He may  
 4 have information about the stock option pricing procedures at KLA and defendant's role in such  
 5 process. He may also have information about KLA's process for filing reports with the Commission.

6 Mark Nordstrom  
 7 c/o John H. Hemann, Esq.  
 8 William H. Kimball, Esq.  
 9 Morgan, Lewis & Bockius LLP  
 One Market, Spear Street Tower  
 San Francisco, CA 94105  
 (415) 442-1355

10 Mr. Nordstrom was the Treasurer of KLA-Tencor Corp. He may have information about the  
 11 stock option pricing procedures at KLA and defendant's role in such process.

12 Joy L. Nyberg  
 13 c/o Sharon M. Bunzel, Esq.  
 14 O'Melveny & Myers LLP  
 15 Embarcadero Center West  
 275 Battery Street  
 San Francisco, CA 94111  
 (415) 984-8700

16 Ms. Nyberg was the former Director of Compensation in KLA's Human Resources  
 17 Department. She may have information about the stock option pricing procedures at KLA and  
 18 defendant's role in such process. She may also have information about KLA's process for filing  
 19 reports with the Commission.

20 Gary Omura  
 21 c/o John H. Hemann, Esq.  
 22 William H. Kimball, Esq.  
 23 Morgan, Lewis & Bockius LLP  
 One Market, Spear Street Tower  
 San Francisco, CA 94105  
 (415) 442-1355

24 Mr. Omura was a former Compensation and Benefits Manager at KLA-Tencor Corp. He may  
 25 have information about the stock option pricing procedures at KLA and defendant's role in such  
 26 process. He may also have information about KLA's process for filing reports with the Commission.

27 Sharon Orlando



1 c/o John H. Hemann, Esq.  
William H. Kimball, Esq.  
2 Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
3 San Francisco, CA 94105  
4 (415) 442-1355

5 Ms. Orlando was a former Senior Stock Administrator at KLA Instruments. She may have  
6 information about the stock option pricing procedures at KLA and defendant's role in such process.

7 Dean Morton  
c/o John H. Hemann, Esq.  
8 William H. Kimball, Esq.  
Morgan, Lewis & Bockius LLP  
9 One Market, Spear Street Tower  
San Francisco, CA 94105  
10 (415) 442-1355

11 Mr. Rubinovitz was a former member of the Board of Directors of KLA Instruments and  
12 KLA-Tencor Corp. He may have information about the stock option pricing procedures at KLA and  
13 defendant's role in such process. He may also have information about KLA's process for filing  
14 reports with the Commission.

15 Lars Samson  
16 c/o John H. Hemann, Esq.  
William H. Kimball, Esq.  
17 Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
18 San Francisco, CA 94105  
19 (415) 442-1355

20 Mr. Samson is the Compensation Program Manager at KLA-Tencor Corp. He may have  
21 information about the stock option pricing procedures at KLA and defendant's role in such process.  
22 He may also have information about KLA's process for filing reports with the Commission.

23 Arthur Schnitzer  
24 c/o John H. Hemann, Esq.  
William H. Kimball, Esq.  
25 Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
26 San Francisco, CA 94105  
27 (415) 442-1355  
28

1 Mr. Schnitzer was a former Vice President of Human Resources at KLA-Tencor Corp. He  
2 may have information about the stock option pricing procedures at KLA and defendant's role in such  
3 process.

4 Kenneth L. Schroeder  
5 14545 Manuella Road  
6 Los Altos Hills, CA 94022  
7 Telephone unknown

8 Mr. Schroeder was the former President and Chief Executive Officer of KLA-Tencor Corp.  
9 from July 1999 until January 2006. He also served on KLA's Board of Directors and its Stock Option  
10 Committee from 1997 through 2005. He may have information about the stock options backdating at  
11 KLA, as more particularly described in the Complaint, and other individuals' respective roles in such  
12 fraudulent conduct. He may also have information about KLA's process for filing reports with the  
13 Commission.

14 Carol Skebe  
15 c/o John H. Hemann, Esq.  
16 William H. Kimball, Esq.  
17 Morgan, Lewis & Bockius LLP  
18 One Market, Spear Street Tower  
19 San Francisco, CA 94105  
20 (415) 442-1355

21 Ms. Skebe is the administrative assistant for John Kispert at KLA-Tencor Corp. She may  
22 have information about the stock option pricing procedures at KLA and defendant's role in such  
23 process.

24 Barbara Stebbins  
25 c/o KLA-Tencor Corp.  
26 160 Rio Robles  
27 San Jose, CA 95134  
28 (408) 875-3000

Ms. Stebbins was a former employee in Stock Administration at KLA-Tencor Corp. She may  
have information about the stock option pricing procedures at KLA and defendant's role in such  
process.

Roger Stern  
c/o Wilson Sonsini Goodrich & Rosati  
650 Page Mill Road  
Palo Alto, CA 94304

1 (650) 493-9300

2 Mr. Stern was the former outside counsel for KLA-Tencor Corp. He may have information  
3 about the stock option pricing procedures at KLA and defendant's role in such process. He may also  
4 have information about KLA's process for filing reports with the Commission.

5 Jon Tompkins  
6 c/o Warrington S. Parker III, Esq.  
7 Michael J. Shepard, Esq.  
8 Heller Ehrman LLP  
9 333 Bush Street  
10 San Francisco, CA 94104  
11 (415) 772-6176

12 Mr. Tompkins was the former Chief Executive Officer and Chairman of the Board of  
13 Directors of KLA-Tencor Corp. He may have information about the stock option pricing procedures  
14 at KLA and defendant's role in such process. He may also have information about KLA's process for  
15 filing reports with the Commission.

16 Sonal Vashaimpayan  
17 c/o John H. Hemann, Esq.  
18 William H. Kimball, Esq.  
19 Morgan, Lewis & Bockius LLP  
20 One Market, Spear Street Tower  
21 San Francisco, CA 94105  
22 (415) 442-1355

23 Ms. Sonal Vashaimpayan was a former corporate accountant at KLA-Tencor Corp. She may  
24 have information about the stock option pricing procedures at KLA and defendant's role in such  
25 process.

26 Richard Wallace  
27 c/o John H. Hemann, Esq.  
28 William H. Kimball, Esq.  
Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
San Francisco, CA 94105  
(415) 442-1355

Mr. Wallace is the Chief Executive Officer of KLA-Tencor Corp. He may have information  
about the stock option pricing procedures at KLA and defendant's role in such process. He may also  
have information about KLA's process for filing reports with the Commission.

Leslie Wilson

1 c/o Frank R. Ubhaus, Esq.  
2 Berliner Cohen  
3 10 Almaden Blvd, Suite 1100  
4 San Jose, CA 95113  
5 (408) 286-5800

6 Ms. Wilson was the former director of benefits, compensation and human resources  
7 information systems at KLA-Tencor Corp. She may have information about the stock option pricing  
8 procedures at KLA and defendant's role in such process.

9 **B. DOCUMENTS AVAILABLE FOR INSPECTION AND COPYING**

10 The Commission has produced for inspection and copying the following documents, data  
11 compilations, and tangible things that are in its possession, custody or control and may be used to  
12 support its claims, except those to be used solely for impeachment: (1) the transcripts of testimony  
13 taken by Commission staff identified in Exhibit A; (2) exhibits marked during the testimony in the  
14 Commission's underlying investigation, as identified in Exhibit A; (3) documents produced to the  
15 Commission during its investigation preceding this case, as identified in Exhibit A.

16 The documents are available for inspection at the Commission's offices in San Francisco,  
17 California. They are available for photocopying at the expense of the defendant. Plaintiff reserves  
18 the right to rely upon additional information that may be discovered during the course of the action,  
19 and for the purposes of impeachment.

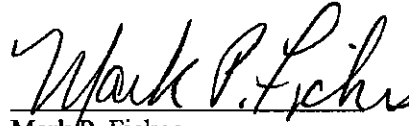
20 **C. DAMAGES CLAIMS**

21 Plaintiff does not seek damages in this action. The Commission seeks injunctive relief,  
22 disgorgement of ill-gotten gains and other equitable relief in the form of a bar as alleged in the  
23 Complaint. The Commission has also requested civil money penalties pursuant to Section 20 of the  
24 Securities Act of 1933, 15 U.S.C. § 77t, and Section 21 of the Securities Exchange Act of 1934, 15  
25 U.S.C. § 78u. In addition, the Commission seeks forfeiture of bonuses and profits from stock sales  
26 from defendant pursuant to Section 304 of the Sarbanes-Oxley Act of 2002.  
27  
28

**D. INSURANCE AGREEMENTS**

Plaintiff is not aware of any insurance agreement that may satisfy any portion of the judgment sought.

DATED: October 3, 2007



Mark P. Fickes  
Attorney for Plaintiff  
SECURITIES AND EXCHANGE COMMISSION

## EXHIBIT A

SEC v. Schroeder, Case No. C-07-3798-JW  
DOCUMENT INDEX v2  
(amended 10/03/07)

Box #	Bates Range	Description	Electronic Copy?
1	GD 1-2567; GD 6702	Gary Dickerson production: GD email re options; 2004 calendar	GD 1-2567 only
2	GD 2568-5788	Gary Dickerson production: GD email re options; calendar	Yes
3	GD 5789-6701	Gary Dickerson production: GD calendar	Yes
4	GD 6702-1009	Wilson Sonsini production: communications re options	No
5	MK1 - 6855; MK-PRIV1 - 144	Michael Kahn production: 1 CD (no hard copies), various documents and communications re options	Yes
5	MK1 - 6855	Michael Kahn production: options related documents	No
5	MK1 - 104	Jay Nyberg production: 1 binder and loose documents re options	No
5	MK1 - 104	Tom Tompkins production: options related documents	No
6	KT 1 - 1589; KT ACWP-PRIV 1 - 160	KLA-Tencor production: Binders 1-4 ("Documents Produced by KLA-Tencor Corporation")	Yes
7	KT 1590 - 2355; KT ACWP-PRIV 161 -	Binder 5 & 6 ("Documents Produced by KLA-Tencor Corporation"); 1 binder ("Documents Referenced in Presentation to USAO and SEC on 10/12/2006")	Yes

Gary Dickerson indicates that the production is in paper format and an electronic copy exists. Unhighlighted text in this table indicates that the production is in paper format and an electronic copy exists. Unhighlighted text in this table indicates that the production is in paper format and an electronic copy exists.

	226	(no separate Bates numbering)	
8	KT 2356 - 3506	4 binders of documents maintained by Lars Samson in KLA's Compensation Department	Yes
9	KT 1 - 1589; KT ACWP-PRIV 1 - 160	Binders 1-4 (duplicative of Box 6)	Yes
10	KT 1590 - 2355; KT ACWP-PRIV 161 - 226	Binder 5 & 6; 1 binder (duplicative of Box 7)	Yes
11	KT 2356 - 3506	4 binders of documents maintained by Lars Samson (duplicative of Box 8)	Yes
12	KLA-SEC 1-22; KLA-SEC 23-2510; KLA-SEC 2511-2514; KLA-SEC 2515-2525	Stock option grant information re KLA executives from January 1997 to June 2006; stock option grant information re KLA employees from January 1997 to June 2006; revised versions of KLA-SEC 4-7; stock option grant charts	Yes
13	MLB/KLA-SEC 2526 - 3999; ACWP-PRIV 227 - 228	Documents re Special Committee interviews of Michael Kahn, Leslie Wilson & Lars Samson (vol 1 - 5); list of Special Committee key word search terms; color version of KT ACWP-PRIV 14-15 re-numbered as ACWP-PRIV 227-228	Yes
14	MLB/KLA-SEC 4000 - 5670	Grant Binders (volumes 1-4)	Yes
15	MLB/KLA-SEC 5671 - 6728; 6729 - 7838	Grant Binders (volumes 5 & 6); grant binders for grants 12, 31-51 (volumes 1-3)	Yes
16	MLB/KLA-SEC 7839 - 8934	2 binders of documents re Stuart Nichols & Jon Tompkins Special Committee interviews	Yes
17	MLB/KLA-SEC 8935 - 11064	Documents retrieved from Lisa Berry's hard drive (Box 1 of 4)	Yes
18	MLB/KLA-SEC 11065 - 12999	Documents retrieved from Lisa Berry's hard drive (Box 2 of 4)	Yes
19	MLB/KLA-SEC 13000 - 15166	Documents retrieved from Lisa Berry's hard drive (Box 3 of 4)	Yes

20	MLB/KLA-SEC 15167 – 16858	Documents retrieved from Lisa Berry's hard drive (Box 4 of 4)	Yes
21	KT ACWP-PRIV 227 – 1165	Special Committee witness interview memoranda	Yes
22	MLB/KLA-SEC 16859 – 16930	Personnel files for Lars Samson & Stuart Nichols	Yes
---	MLB/KLA-SEC 16931 – 17934 DO NOT EXIST		
22	MLB/KLA-SEC 17935 – 19422	Electronic calendar data of Lars Samson	Yes
23	MLB/KLA-SEC 19423 – 20953	Electronic calendar data of Lars Samson; Jon Tompkins hard copy calendar data	Yes
24	MLB/KLA-SEC 20954 – 21028; KT ACWP-PRIV 1168 – 1308	20954-21028: binder re grants dated 7/26/94, 4/18/95, 9/17/96 & 3/14/97; 1168-1172: priv docs re above grants; 1173-1308: Nichols' original file re stock option pricing (loose docs)	Yes
24	MLB/KLA SEC 21029 – 22978; KT ACWP-PRIV 1309 – 1324	Michael Kahn personnel file (loose docs); Gary Dickerson Special Committee binders (3 binders)	Yes
25	MLB/KLA SEC 22979 – 22999, 22983R-22984R; KT ACWP-PRIV 1325 – 1330	Maureen Lamb Special Committee interview documents	Yes
25	MLBKLA-SEC 23000-23555; KT ACWP-PRIV 1331; MLBKLA-SEC 26997	Files collected from Jon Tompkins' Mac laptop; spreadsheet listing KLA legal staff	Yes
26	MLB/KLA SEC 23556 – 26996	Kenneth Schroeder calendar (box 1 of 2)	Yes
27	MLB/KLA SEC 23556 – 26996	Kenneth Schroeder calendar (box 2 of 2)	Yes



28	MLB/KLA SEC 26998 – 27190	“Grant Review Summary Documents” binder	Yes
29	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #1 of 10: 27191 – 29492 (2/5/01 – 5/2/02)	Yes
30	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #2 of 10: 29493 – 31461 (5/2/02 – 11/21/02)	Yes
31	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #3 of 10: 31462 – 33449 (12/17/02 – 3/27/03)	Yes
32	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #4: 33450 – 35567 (3/27/03 – 3/06/04)	Yes
33	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #5: 35568 – 37913 (3/6/04 – 7/21/04)	Yes
34	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #6: 37914 – 40001 (6/25/04 – 11/11/05)	Yes
35	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #7: 40002 – 42039 (5/20/05 – 1/10/06)	Yes
36	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #8: 42040 – 44099 (1/10/06 – 2/10/06)	Yes
37	MLB/KLA-SEC 27191 – 47899; KT ACWP-PRIV 1736 – 1741	Kenneth Levy’s electronic calendar data Box #9: 44100 – 45907 (4/13/06 – 7/11/06)	Yes
38	MLB/KLA-SEC 27191 –	Kenneth Levy’s electronic calendar data	Yes

	47899; KT ACWP-PRIV 1736 - 1741	Box #10: 45908 - 47899 (7/12/06 - 11/11/06)	
-----	MLB/KLA-SEC 47900 - 47969 DO NOT EXIST		
39	MLB/KLA SEC 47970 - 50950; KT ACWP-PRIV 1742 - 1874	Kenneth Levy & Kenneth Schroeder Special Committee binders (Box 1 of 2)	Yes
40	MLB/KLA SEC 47970 - 50950; KT ACWP-PRIV 1742 - 1874	Kenneth Levy & Kenneth Schroeder Special Committee binders (Box 2 of 2)	Yes
41	MLB/KLA SEC 50951 - 52521; KT ACWP-PRIV 1875 - 1986 (NOTE: no docs numbered 51525 - 51576)	John Kispert & Joy Nyberg Special Committee binders; additional documents re Kispert; color copy of MLB/KLA SEC 2677-2679	Yes
42	MLB/KLA SEC 52522 - 52884; KT ACWP-PRIV 1987 - 2050	Docs retrieved from John Kispert's hard-drive	Yes
43	MLB/KLA SEC 52885 - 58169; KT ACWP-PRIV 2051 - 2346	Additional Lisa Berry documents (Box 1 of 3)	Yes
44	MLB/KLA SEC 52885 - 58169; KT ACWP-PRIV 2051 - 2346	Additional Lisa Berry documents (Box 2 of 3)	Yes
45	MLB/KLA SEC 52885 - 58169; KT ACWP-PRIV 2051 - 2346	Additional Lisa Berry documents (Box 3 of 3)	Yes
46	MLB/KLA SEC 58170 - 58315; KT ACWP-PRIV 2347 - 3855	Docs collected from Stuart Nichols' office; documents shown to interviewees during Special Committee investigation but not previously produced to SEC; documents related to Nichols March 2001 memo; revised grant binder for	Yes

		7/26/94 and 2/9/01 grants	
47	MLB/KLA SEC 58316 - 60454	Comp/option info & personnel files for Kenneth Levy, Kenneth Schroeder, Lisa Berry & Stuart Nichols; Form 4s; Schedule 14As; D&O questionnaires; management rep letters	Yes
48	KTACWP-PRIV 1331 - 1735; MLB/KLA-SEC 60455 - 61433; KT ACWP-PRIV 3856 - 3972	Binder of documents not previously produced to the SEC; interview memoranda & Special Committee binders for Jeannine Akbar, Ned Barnholt, Peter Bond, Jane Butler, Kathryn Cross, Tina Galindo & Lida Urbanek	Yes
49	MLB/KLA-SEC 61434 - 62150; KT ACWP-PRIV 3973 - 3986	Forms 3, 4 and 5 for Lisa Berry, Kenneth Schroeder and Kenneth Levy	Yes
50	MLB/KLA-SEC 62151; MLB/KLA-SEC 62152 - 62225; KT ACWP-PRIV 3987 - 4047; MLB/KLA-SEC 62226 - 67549; KT ACWP-PRIV 4048 - 4107	One page spreadsheet of final grant summary restatement information; memoranda and documents from Special Committee follow-up interviews of Kispert, Skebe, Dickerson & Lamb; Berry, Schroeder, Levy, Nichols documents related to SEC filings (Box 1 of 3)	Yes
51	MLB/KLA-SEC 62226 - 67549; KT ACWP-PRIV 4048 - 4107	Berry, Schroeder, Levy, Nichols documents related to SEC filings (Box 2 of 3)	Yes
52	MLB/KLA-SEC 62226 - 67549; KT ACWP-PRIV 4048 - 4107	Berry, Schroeder, Levy, Nichols documents related to SEC filings (Box 3 of 3)	Yes
53	MLB/KLA-SEC 67550 - 69406; 69407 - 69454; KT ACWP-PRIV 4108 - 5186; 5187 - 5205	Berry, Schroeder, Levy, Nichols documents related to SEC filings; DiMarco/Stern Special Committee binders (Box 1 of 3)	Yes
54	MLB/KLA-SEC 67550 - 69406; 69407 - 69454; KT ACWP-PRIV 4108 - 5186;	Berry, Schroeder, Levy, Nichols documents related to SEC filings; Bret DiMarco/Roger Stern Special Committee binders (Box 2 of 3)	Yes

54A	5187 - 5205 MLB/KLA-SEC 67550 - 69406; 69407 - 69454; KT ACWP-PRIV 4108 - 5186; 5187 - 5205	Berry, Schroeder, Levy, Nichols documents related to SEC filings; Bret DiMarco/Roger Stern Special Committee binders (Box 3 of 3)	Yes
55	KT ACWP-PRIV 5203 - 5209; MLB/KLA-SEC 69455 - 69592; KT ACWP-PRIV 5210 - 5220; MLB/KLA-SEC 69593; MLB/KLA-SEC 69594 - 69603; KLA-SEC041(CD); MLB/KLA-SEC 69604 - 69633; KLA-SEC042(CD); MLB/KLA-SEC 69634 - 69688; KLA-SEC043(CD); MLB/KLA-SEC 69689 - 69837; MLB/KLA-SEC 69838 - 69853; MLB/KLA-SEC 69854 - 69971; KLA-SEC044(CD)	Exhibit 1 of Marshall Mohr Special Committee interview; Barbara Stebbins Special Committee interview binders; Stuart Nichols' statement of sub-certification, for period ended June 30, 2002; peak performance notices; calendar entries for Kenneth Schroeder for July 1997 to 2004; calendar entries for Kenneth Schroeder for 2005; calendar entries of Kenneth Schroeder's assistant, Tina Galindo; documents from files of Kenneth Schroeder; Kenneth Schroeder's appointment calendar from 2001; Stuart Nichols' Wells submission (no Bates numbers); 2 declarations - Andrew Middleton & Kevin McAndrews (no Bates numbers, <del>as electronic version</del> )	Yes
56	MLB/KLA-SEC 69972 - 71601, 71602-71603; KLA-SEC045 & 46(CDs)	Kenneth Schroeder's appointment calendars for 1991 - 2005; July 9, 2001 Form 4 for Kenneth Schroeder	Yes
-----	MLB/KLA-SEC 2526 - 62225; KT ACWP-PRIV 227 - 4047; KLA-SEC 1 - 2525  MLB/KLA-SEC 62253 - 69596; KT ACWP-PRIV	CD labeled KLA-DOJ001 and CD labeled KLA-DOJ002	Yes

[illegible]